

Why a Senate plan to prohibit ATM fees would hurt the people it wants to help

Libertarians oppose Alfonse D'Amato's scheme to ban ATM fees

WASHINGTON, DC — **Hate ATM fees?** So do most Americans — but Senator Alfonse D'Amato's plan to make ATM fees illegal shows that he has "an account balance of zero when it comes to understanding economics and the free market," the Libertarian Party said today.

"D'Amato's scheme to prohibit ATM fees — while appealing in a populist way — is bad for consumers," charged Steve Dasbach, the party's chairman. "The only people who would benefit are New York senators running for re-election while posing as a friend to the common man."

D'Amato, the New York Republican who chairs the powerful Senate Banking Committee, has joined forces with socialist Congressman Bernie Sanders (I-VT) to demand a federal ban on fees for automated teller machines — which he says are "anti-competitive and outrageous."

Not so, says Dasbach: "It's D'Amato's plan that is outrageous — because it's bank robbery. And the victims will be bank customers." Contrary to D'Amato's allegations, Dasbach noted . . .

■ **ATM fees are voluntary.** "Anybody who dislikes ATM fees doesn't have to pay them," he said. "You have many other options: Use your own bank's ATMs, cash a check, use a credit card, or just make sure you have enough cash for your daily needs. No one is forced to use a bank's ATM machine."

■ **ATM fees make ATMs more widely available.** "Orders for new ATM machines jumped by 40% last year — with new machines popping up in hotels, airports, and convenience stores," said Dasbach. "Why? Because ATM fees make the machines more profitable — making it feasible for banks to put *more* machines in *more* locations. So, the next time you find a conveniently located ATM machine, you should thank those ATM fees."

■ **If ATM fees are banned, they'll just reappear in another form.** "If banks need this revenue, they'll just slip the ATM fees in through the back door — via hidden account fees or yearly charges for ATM cards," predicted Dasbach. "Now, you just pay if you use an ATM machine. Under D'Amato's proposal, everyone could end up paying."

For all these reasons, D'Amato's Republican/socialist plan will hurt consumers far more than it will help them, said Dasbach.

"If D'Amato has his way, you'll pay a much larger cost than any pesky \$1.50 ATM fee," he said. "You'll have less choice in ATM locations; less choice in services and fees from your bank; and less liberty. Even worse, we'll have rewarded a posturing politician like D'Amato — and given him more power over our lives. That's too high a price to pay for eliminating ATM fees."

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